

Message Text

LIMITED OFFICIAL USE

PAGE 01 MEXICO 09515 090005Z

64

ACTION AGR-08

INFO OCT-01 ARA-06 ISO-00 EB-04 COME-00 STR-01 CIAE-00

INR-05 NSAE-00 RSC-01 SIL-01 LAB-01 SWF-01 TRSE-00

/029 W

----- 044187

R 082254Z NOV 74

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC 4748

LIMITED OFFICIAL USE MEXICO 9515

PASS FAS, USDA FOR HARTMAN

E.O. 11652: N/A

TAGS: EAGR MX

SUBJECT: QUARTERLY MEAT CABLE

1. THIRD QUARTER BEEF AND VEAL EXPORTS TO U.S. UNDER PL 88-482 TOTALLED 1,465,343 POUNDS VERSUS 8,003,902 POUNDS IN FIRST QUARTER AND 11,311,559 IN SECOND. FIRST TEN MONTHS AGGREGATE OF 22,216,602 POUNDS FAR BELOW NEW 66 MILLION POUND MEXICAN EXPORT QUOTA. DUE LOCAL HIGH SLAUGHTER CATTLE PRICES VIS-A-VIS U.S. PRICES WEEKLY BEEF AND VEAL EXPORTS HAVE BEEN RUNNING FAR BELOW PREVIOUS WEEKLY LEVELS ALTHOUGH WEEKLY SHIPMENTS WERE UP SOMEWHAT DURING OCTOBER. END OF GOOD GRAZING PERIOD COULD FORCE CATTLEMEN TO DELIVER AT LOWER PRICES, BUT SHIPMENTS OF BEEF AND VEAL EXPORTS NOT EXPECTED TO MOVE AT SUFFICIENT PACE DURING LAST TWO MONTHS OF 1974 FOR TOTAL 1974 EXPORTS TO EXCEED 35 MILLION POUNDS. IN PRIOR YEARS FOURTH QUARTER SHIPMENTS NORMALLY HIGHER THAN PREVIOUS TWO, BUT U.S. PRICES NOW LESS FAVORABLE THAN EARLIER. LOWER U.S. PRICES RESULTING IN INCREASED INTEREST TO IMPORT U.S. CATTLE FOR SLAUGHTER AND EXPORT MEAT TO U.S. (MEQUILLA SYSTEM). DURING THIRD QUARTER 1974 1,139 THOUSAND POUNDS OF BONELESS BEEF PRODUCED FROM U.S. CATTLE IMPORTED UNDER MEQUILLA SYSTEM. JANUARY-SEPTEMBER

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MEXICO 09515 090005Z

MEQUILLA SLAUGHTER TOTALLED 5,377 THOSAND POUNDS.

2. TOTAL DOMESTIC CONSUMPTION AGAIN REVISED DOWNWARD DUE TO REDUCED BUYING POWER IN MAJOR BEEF CONSUMING SEGMENT OF POPULATION. RECENT WAGE INCREASE DID NOT SIGNIFICANTLY AFFECT MIDDLE TO UPPER CLASSES WHICH MAJOR BEEF CONSUMING SECTOR, AND INCREASES FOR LOWER CLASS DID NOT AUGMENT CONSUMER BUYING POWER, DUE TO CONSTANT INCREASES IN FPI. PROMOTIONAL EFFORTS TO SELL BEEF AT ONLY 20 PESOS PER KILO LIMITED TO CUTS WITH HIGH BONE CONTENT AND MEAT SOLD IN THIS MANNER SMALL PROPORTION OF TOTAL.

3. NEW OFFICIAL PRICE FOR FRESH, CHILLED AND FROZEN BEEF EXPORTS WHICH SERVE AS BASIS FOR 0.1 PERCENT AD VALOREM TAX, ESTABLISHED AT 20 PESOS PER KILO. LOWERING THIS DUTY WOULD NORMALLY ENCOURAGE INCREASED BEEF SHIPMENTS SINCE BEEF, FRESH, FROZEN, CHILLED, BONELESS DELIVERED U.S., PRICED AT 73 CENTS PER POUND IN AUGUST. HOWEVER, LACK OF LOW PRICED SLAUGHTER CATTLE LOCALLY EXPECTED TO OFFSET MOST OF THESE BENEFITS. LOWERING EXPORT TAX SHOULD, HOWEVER, INCREASE INTEREST TO IMPORT U.S. CATTLE FOR SLAUGHTER SINCE BONEING COWS PRICED AT ABOUT 30 CENTS PER POUND VERSUS 19 IN U.S.

4. NUMBERS (1000 HEAD)

	1972	1973	1974
A. ON FARM 'JAN. 1)	26,371	26,830	27,512
B. SLAUGHTER	3,569	3,780	3,800

5. SUPPLY AND DEMAND (1000 MT, CWE)

	1972	1973	1974
A. SUPPLY			
1) PRODUCTION	592	643	646
2) IMPORTS	NEG	NEG	NEG
TOTAL	592	643	646

B. DISAPPEARANCE

1) DOMESTIC CONSUMPTION	541	607	624
2) EXPORTS			

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MEXICO 09515 090005Z

(A) BONE IN	NEG	NEG	NEG
(B) BONELESS IN CWE	51	36/1	22/2

6. EXPORTS (ESTIMATED IN 1000 LBS OF PRODUCT WEIGHT)

A. BY QUARTERS TO U.S. - 8,004; 11,312; 1,465; 14,219.

B. ANNUAL BASIS ALL SOURCES: 35,500/2.

/1 DOES NOT INCLUDE ESTIMATED 35 MILLION POUNDS (CWE) OF

BORDER SALES TO U.S. CITIZENS.

/2 DOES NOT INCLUDE ESTIMATION FOR BORDER SALES TO U.S.
CITIZENS. EXPORTS IN THIS MANNER FAR BELOW PREVIOUS YEAR
DUE TO PRESENT PRICE RELATIONSHIPS. BRANDIN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORTS, MEATS, TRADE DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 08 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GarlanWA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974MEXICO09515
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740322-0973
From: MEXICO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741159/aaaabyei.tel
Line Count: 119
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION AGR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GarlanWA
Review Comment: n/a
Review Content Flags:
Review Date: 18 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <18 SEP 2002 by martinml>; APPROVED <24 MAR 2003 by GarlanWA>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: QUARTERLY MEAT CABLE
TAGS: EAGR, MX
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005